

Lawmakers: Fixing education could hit \$6B

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SEATTLE — The actual cost of a Washington Supreme Court ruling on how the state pays for education could reach as much as \$6 billion — double most estimates floating around the Legislature, lawmakers and state officials say.

Most of those estimates involving the so-called McCleary decision only include all-day kindergarten, smaller classes, student transportation and classroom supplies — requirements expected to add as much as \$3 billion to the state's two-year budget.

But that amount could grow significantly because the 2012 court ruling also called on the state to quit relying on local school levies to fill holes in the state budget.

The Washington Education Association estimated that statewide districts spent \$1.6 billion in levy dollars during the 2013-14 school year on the salaries of teachers and other school employees.

Data provided by the staff of Rep. Ross Hunter, D-Medina, chairman of the House Appropriations Committee, show local levies contributed an average of \$60,000 per administrative salary and an average \$10,000 per teacher and paraeducator salary during the previous school year.

Under the high court ruling, it could be construed as a violation of the state Constitution to continue to pay those salaries out of local levy dollars instead of with money from the state budget.

"You can fix almost all of this by screwing around with property taxes," Hunter explained.

Hunter has been leading the charge in the Legislature on this issue for several years but has not made a lot of headway. He acknowledges that it's a complicated problem. Among the reasons:

Gov. Jay Inslee has spoken out against previous levy solutions. Teacher pay rates should be set regionally, since the local job market influences what school districts need to pay. In addition, the Washington Education Association, which represents teachers statewide, isn't likely to support restrictions on local bargaining that Hunter believes are necessary.

"The politics are horrific and it's a lot of money and property tax is the third rail. It makes people crazy," Hunter summed up the issue.

But it is doable and will be accomplished, said Hunter, a former Microsoft employee who loves big challenges.

Superintendent of Public Instruction Randy Dorn said the Supreme Court is not going to be satisfied if the Legislature ignores the local levy issue while finding another billion dollars or so to pay down its McCleary obligations.

The court has said it will hold the state in contempt if the Legislature does not solve the McCleary problem this session or at least set up a detailed plan for doing so.

The Supreme Court and Dorn say the state's reliance on levy dollars for basic education is unconstitutional because levies are not a stable, sustainable source of money for education and aren't uniform across the state.

The issue involves disparity of property values and how much that property can be taxed by local school districts.

Previous attempts at making the system more equitable worked initially, but then local districts with lots of taxing power ramped up their levies to keep teacher pay competitive.

Powerful lawmakers in both parties and both houses agree this issue must be resolved soon.

"We've got agreement we have to fix it. On how we fix it, there's vastly differing views," said state Sen. Andy Hill, R-Redmond, chairman of the Senate Ways and Means Committee.

Hill says there has been a lot of cooperation among lawmakers. "These discussions are ongoing, they are deep and they are substantive," he said.

Inslee has not jumped on board. He sidestepped the issue when he announced his proposed budget for the next biennium in December.